IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT
OF PENNSYLVANIA

WRS, INC., d/b/a WRS MOTION PICTURE LABORATORIES, a corporation, Plaintiff, vs. PLAZA ENTERTAINMENT, INC., a corporation, ERIC PARKINSON, an individual, CHARLES von BERNUTH, an individual and JOHN HERKLOTZ, an individual, Defendants.	CIVIL ACTION No. 00-2041

PLAINTIFF'S CONCISE STATEMENT OF FACTS SUPPORTING MOTION FOR SUMMARY JUDGMENT AS TO THE LIABILITY OF DEFENDANT, JOHN HERKLOTZ, PURSUANT TO LOCAL RULE OF CIVIL PROCEDURE 56.1(B)(1)

AND NOW comes Plaintiff, WRS, Inc., by and through its counsel, Thomas E. Reilly, P.C., and files the within Concise Statement of Facts Supporting Motion for Summary Judgment as to the Liability of Defendant, John Herklotz (hereinafter referred to as "Herklotz"):

1. Eric Parkinson (hereinafter referred to as "Parkinson") formed Plaza in 1996 to engage in the commercial exploitation of various films and video titles to licenses, assignments and other transfer of rights granted to it by producers or other owners of the copyrights in the various film and video titles. (Complaint Paragraph 9, Herklotz Answer, Paragraph 9).

2. Herklotz was a shareholder in Plaza. (Herklotz Cross-Claim, Count III, Paragraph 1). Until April 1998, Herklotz was Chairman of the Board of Plaza. (Herklotz Answer, Paragraph 8).

3. Plaza Entertainment, Inc. (hereinafter referred to as "Plaza"), Parkinson, and Charles von Bernuth (hereinafter referred to as "von Bernuth") entered into Contracts with Plaintiff for services to be rendered by Plaintiff in Pennsylvania. (Complaint, Paragraph 2, Herklotz Answer, Paragraph 2).

4. On May 9, 1998, Herklotz signed Exhibit "B" attached to Plaintiff's Complaint. (Complaint, Paragraph 2, Herklotz Answer, Paragraph 2).

5. Herklotz signed Exhibit "B" for the mutual benefit of the Defendants, including Plaza. (Herklotz Cross-Claim, Count III, Paragraph 2).

6. Herklotz signed Exhibit "B" after he was told by Parkinson and von Bernuth that Plaza had obtained a large order for video copies of Herklotz's film "Giant of Thunder Mountain" from Wal-Mart and that Plaintiff required Herklotz's Guaranty embodied in Exhibit "B" before Plaintiff would produce the necessary video dubs to fulfill the Order. (Herklotz Cross-Claim, Count V, Paragraph 2).

7. WRS produced videos in reliance upon the Guaranty of Herklotz. (Napor Deposition).

8. Herklotz at no time provided written notice to Plaintiff withdrawing his Guaranty pursuant to the provision of Exhibit "B".

9. On October 12, 1998, WRS and Plaza entered into a Services Agreement, a copy of which was pleaded in Exhibit "D" in the Complaint.

10. WRS continued to produce video duplication for Plaza as contemplated in the Services Agreement.

11. The Service Agreement, Account Application and Terms and Conditions and Guaranty are attached hereto.

THOMAS E. REILLY, P.C.

BY:_____/s/ Thomas E. Reilly______

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